



To: Karen Churchard, Tourism & Events Director, City of Scottsdale

From: Rachel Sacco, President & CEO, Experience Scottsdale

Date: March 20, 2018

Re: Fiesta Bowl Fulfillment, Deliverables & Impact to City of Scottsdale for 2017-18

**Fiesta Bowl & Experience Scottsdale
Contract Fulfillment
2017-18**

(Experience Scottsdale was formerly Scottsdale Convention & Visitors Bureau, SCVB)

**PlayStation Fiesta Bowl
Saturday, Dec. 30, 2017
Penn State vs. University of Washington**

**Cactus Bowl
Tuesday, Dec. 26, 2017
Kansas State vs. UCLA**

1.1 Both Fiesta Bowl teams stay in Scottsdale/PV resorts.

Both Fiesta Bowl teams stayed in Scottsdale/PV resorts.

- Fairmont Scottsdale Princess: Penn State Team, 1,644 room nights
- The Scottsdale Plaza Resort: University of Washington Team, 1,272 room nights

1.1 One Cactus Bowl team stays in a Scottsdale/PV resort (Dec. 2006-09).

Although this is no longer required per the contract, one Cactus Bowl team stayed in a Scottsdale/PV resort.

- Hyatt Regency Scottsdale Resort & Spa at Gainey Ranch: Kansas State Team, 1,179 room nights

1.2 Both Fiesta Bowl teams practice at Scottsdale-area facilities.

Both Fiesta Bowl teams practiced at Scottsdale-area facilities.

- Notre Dame Prep High School: Penn State
- Scottsdale Community College: University of Washington

1.2 One Cactus Bowl team practices at Scottsdale-area facility (Dec. 2006-09).

Although this is no longer required per the contract, one Cactus Bowl team practiced at a Scottsdale-area facility.

- Salt River High School: Kansas State.

While Chaparral High School has been used in the past, the Fiesta Bowl was unable to retain the school as their practice field for this year's game for reasons beyond their control. They kept Experience Scottsdale informed during their search for a practice field in Scottsdale. Salt River High School was the closest location they could locate with the space available after exhausting options within the City. Chaparral High School and other options are being explored by the Fiesta Bowl for next year's games.

1.3 Fiesta Bowl responsible for securing and renting its Scottsdale practice facilities.

Fulfilled

1.4 Fiesta Bowl to cause 5 groups representing 2,000 room nights to lodge in Scottsdale/PV—with at least 3 of these groups affiliated with Fiesta—not Cactus Bowl.

The Fiesta Bowl caused 9 groups representing 5,768 room nights to lodge in Scottsdale/PV, with 7 of these groups affiliated with the Fiesta Bowl. Of these rooms, 3,632 were in Scottsdale resorts and 2,136 were in Paradise Valley resorts.

- | | |
|--|-------------------|
| • Doubletree Resort: Kansas State Band & Cheer (CB) | 275 room nights |
| • Embassy Suites Scottsdale: Penn State Band & Cheer (FB) | 375 room nights |
| • Fairmont Scottsdale Princess: Penn State Team (FB) | 1,645 room nights |
| • Hilton Scottsdale Resort: University of Washington Band & Cheer (FB) | 375 room nights |
| • Hotel Valley Ho: University of Washington Alumni (FB) | 58 room nights |
| • Hyatt Regency Scottsdale: Kansas State Team (CB) | 1,179 room nights |
| • JW Marriott Camelback Inn: Media Hotel (FB & CB) | 281 room nights |
| • Mountain Shadows: Penn State Alumni (FB) | 308 room nights |
| • Scottsdale Plaza Resort: University of Washington Team (FB) | 1,272 room nights |

For the Fiesta Bowl Parade, Experience Scottsdale also helped to secure 42 rooms from Disney (affiliated with ESPN, which airs the bowl games) at Fairmont Scottsdale Princess.

These numbers reflect groups generated by the Fiesta Bowl/Cactus Bowl and Experience Scottsdale teams. There were other tour groups, fans and visitors throughout Scottsdale that were not a direct referral from the Fiesta Bowl/Cactus Bowl.

An additional 35 room nights for conference representatives and VIPs also were generated at Royal Palms Resort & Spa, as well as 479 room nights for Penn State Alumni at The Westin Kierland Resort & Spa, both Phoenix-based resorts that are in Experience Scottsdale membership. Additional rooms for the University of Washington Alumni also were booked at Omni Scottsdale Resort & Spa at Montelucia directly through Prime Sports. Experience Scottsdale was not asked to assist as it was not in the original Fiesta Bowl block or contract.

2.1 SCVB exclusive CVB and hotel reservation service for Fiesta Bowl game.

Fulfilled

2.2 Fiesta Bowl shall promote within its collateral, the SCVB's website for accommodations bookings.

Fulfilled

2.3 Fiesta Bowl to refer customers seeking accommodations to SCVB's website.

Fulfilled

2.4 Fiesta Bowl to provide link from home page of its website to SCVB's accommodations booking page.

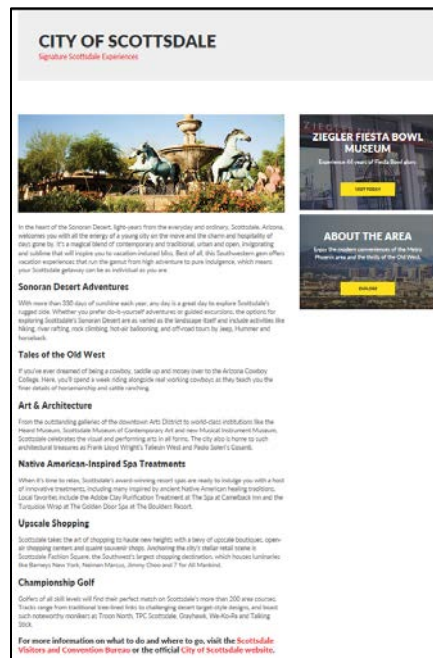
In addition to providing a link from the home page of its website to the Experience Scottsdale website, the Fiesta Bowl also provided promotional copy about the area.

2.5 Fiesta Bowl shall promote accommodations-booking page to incoming groups.

Fulfilled

2.6 Fiesta Bowl allows SCVB to appoint representative to be part of committee related to game accommodations for incoming universities.

A member of the Experience Scottsdale staff was involved in the process last year for requests for proposal for band and alumni accommodations. Contract negotiations with hotels are handled directly between the hotels and the Fiesta Bowl.



2.7 Fiesta Bowl to allow SCVB to take part in promotional trips to markets of participating teams.

Experience Scottsdale did not participate in these trips this year. Instead, we worked directly with Fiesta Bowl staff to identify and place groups in Scottsdale/PV properties. We also participated in team meetings that took place at the Fiesta Bowl office. These meetings allowed Experience Scottsdale staff to interact directly with team and alumni staff.

2.8 Fiesta Bowl to provide minimum of 5 public address announcements during each Fiesta Bowl game.

The Fiesta Bowl provided Experience Scottsdale with five public address announcements during the Fiesta Bowl game. In addition, our logo was shown on the stadium video boards during these public address announcements.



2.9 Fiesta Bowl to provide SCVB two 30-second video board spots during each Fiesta Bowl game.

The Fiesta Bowl provided Experience Scottsdale with two 30-second video board spots during the Fiesta Bowl game.



2.10 Fiesta Bowl to provide SCVB with a full-page ad in Fiesta Bowl and Buffalo Wild Wings Bowl game programs and Fiesta Bowl Entertainment Guide.

Both the Fiesta Bowl and Cactus Bowl game programs included a full-page ad from Experience Scottsdale, as well as both City of Scottsdale and Experience Scottsdale logos on the sponsor recognition pages. A total of 9,000 Fiesta Bowl programs were distributed to all suites and sold at merchandise stands, while 6,000 Cactus Bowl programs were distributed.

Fiesta Bowl no longer produces the Entertainment Guide. In place of the guide ad, Experience Scottsdale received a table for 10 at the Kickoff Luncheon. These tickets were used by Experience Scottsdale and City of Scottsdale staff to represent the destination at this event.

2.11 Fiesta Bowl to list City of Scottsdale and SCVB as sponsors in Fiesta Bowl game program and other areas where sponsors listed.

Fulfilled

3.1 Fiesta Bowl to provide the following:

Note: Experience Scottsdale and Fiesta Bowl signed a first amendment to the hospitality and promotional agreement that replaces some of the original contract hospitality benefits to better reflect current needs by Experience Scottsdale as well as current offerings from the Fiesta Bowl.

One (1) Fiesta Bowl loft, including 20 loft tickets, 20 Stadium Club pregame passes and 5 parking passes.

Experience Scottsdale's convention sales team used the stadium suite, pregame passes and parking passes during a meeting planner familiarization tour. The suite helped us attract top planners who otherwise wouldn't have been here.

Thirty-two (32) lower level tickets, eight (8) Fiesta Bowl parking passes, one (1) Fiesta Bowl bus parking pass, and twelve (12) Stadium Club pregame passes for the 2017-18 game.

Experience Scottsdale used these tickets and passes for local meeting planner clients, local travel agent clients, the meeting planner familiarization tour, and a marketing contest.

Four (4) Cactus Bowl Club Level tickets, and two (2) Cactus Bowl parking passes.

Experience Scottsdale used these tickets and parking passes for local meeting planner clients.

One (1) table for 10 guests at the Fiesta Bowl kickoff lunch.

Experience Scottsdale hosted staff and City stakeholders at this year's kickoff lunch.

4.1 City provides Scottsdale police escorts to & from daily practices & to & from Fiesta Bowl & Cactus Bowl games to all teams that stay in Scottsdale/PV properties. The escorts are provided at no charge to Fiesta Bowl or the applicable teams.

Fulfilled. However, this was complicated this year by the placement of one of the practices at Salt River High School as both Experience Scottsdale and the Fiesta Bowl were unaware the Scottsdale Police Department would not have jurisdiction to do so. By working with the City's police department and Fiesta Bowl, we were able to arrange all necessary police escorts through the Scottsdale Police Department, the Salt River Police Department and the Maricopa County Sheriff's Office. We met with all parties in early 2018 to ensure a more seamless process for next year's games.

4.2 City provides Scottsdale police department representative to aid Fiesta Bowl and Cactus Bowl teams staying in Scottsdale with matters of public safety and security.

Fulfilled

4.3 SCVB shall aid Fiesta Bowl, upon request, with locating practice facilities within Scottsdale for use by Fiesta Bowl and Cactus Bowl teams.

The Fiesta Bowl located a new practice facility for one of the Cactus Bowl teams. They kept Experience Scottsdale informed during their search for a practice field in Scottsdale. Salt River High School was the closest location they could locate with the space available after exhausting options within the City. Other practice facilities remained the same.

4.4 SCVB shall aid Fiesta Bowl annually, upon request, with securing room blocks and rates at Scottsdale and Paradise Valley resorts at rates set by BCS for Fiesta Bowl and Cactus Bowl games.

A member of the Experience Scottsdale staff was involved in the process last year for requests for proposal for band and alumni accommodations. Contract negotiations with hotels are handled directly between the hotels and the Fiesta Bowl.

4.5 SCVB shall secure for Fiesta Bowl's use a block of 250 room nights at Scottsdale/PV resorts at substantially-discounted rate.

Fiesta Bowl did not use this benefit this year. While they explored Scottsdale hotel options for the Fiesta Bowl Overwatch National Championship, an e-gaming tournament, they decided to remain in Tempe due to transportation and proximity to the venue, the ASU Student Athletic Center.

4.6 SCVB shall feature Fiesta Bowl within SCVB's destination marketing materials.

Following is a recap of how Experience Scottsdale promoted the Fiesta Bowl games.

Fiesta Bowl

Online

- Fiesta Bowl calendar of events listing (774 page views, Oct. 30 – Dec. 30, 2017)
- Fiesta Bowl event slider on ExperienceScottsdale.com home page (84,035 page views, Dec. 2-21, 2017)
- Social media (Fiesta Bowl game):
 - 1 Twitter post (approx. 91,000 followers)
 - 1 Facebook post (approx. 215,000 followers)
- Fiesta Bowl Contest (Oct. 30 – Dec. 11, 2017)
 - Pay-per-click advertising: 4,367 clicks
 - 1 Twitter post (approx. 91,000 followers)

- 1 Facebook post (approx. 215,000 followers)
- Contest entries: 2,730

Email

- Included in October 2017 meetings email (7,393 contacts)
- Included in November 2017 leisure email (95,947 contacts)

Print

- Included in December 2017 printed calendar of events (4,000 printed copies)
- Featured event listing in the 2018 Scottsdale Visitors Guide (125,000 printed copies)
- Featured event listing in the 2018 Meeting & Travel Planners Guide (2,000 printed copies)

Sales

- Fiesta Bowl FAM: Five sports event organizers and their guests were in attendance

Public Relations

- Featured in “Rush to Scottsdale for PlayStation Fiesta Bowl” press release (distributed to 35 media contacts in University of Washington area and 35 media contacts in Penn State area)

Additional Promotion

- Distributed Experience Scottsdale materials to the Fiesta Bowl Museum, including 120 visitor guides

Cactus Bowl

Online

- Cactus Bowl calendar of events listing (880 page views, Oct. 30 – Dec. 31, 2017)
- Cactus Bowl “Our Picks” section for events (7,708 page views, Dec. 4-18, 2017)
- Social media:
 - 1 Twitter post (approx. 91,000 followers)
 - 1 Facebook post (approx. 215,000 followers)



Print

- Included in December 2017 printed calendar of events (4,000 printed copies)
- Featured event listing in the 2018 Scottsdale Visitors Guide (125,000 printed copies)
- Featured event listing in the 2018 Meeting & Travel Planners Guide (2,000 printed copies)

Public Relations

- Featured in “Rush to Scottsdale for 29th Annual Cactus Bowl” press release (distributed to 218 media contacts in UCLA area, and 15 media contacts in Kansas State area)

Penn State Alumni Events

In addition, Experience Scottsdale was able to help secure Penn State’s Fiesta Bowl pep rally, which was held at Scottsdale Stadium on Friday, Dec. 29. The event was hosted by the Penn State Alumni Association and welcomed Nittany Lion fans from across the country. According to the Stadium, the pep rally drew approximately 6,000 fans. A member of the Penn State Alumni Association staff said, “We

were really happy with how the Pep Rally turned out, and appreciate all of the help you [Experience Scottsdale] and the stadium provided. . . Hopefully we will be there again and look forward to working with you in the future.”



Following the pep rally, the local Penn State Alumni chapter hosted a pub crawl for approximately 1,000 fans in the Entertainment District. The pep rally and pub crawl locations were chosen during sites hosted by Experience Scottsdale.

Penn State also hosted an alumni event for more than 300 guests at the W Scottsdale on Dec. 28.

University of Washington Alumni Event

The University of Washington hosted an alumni event at the Omni Scottsdale Resort & Spa at Montelucia.

Fiesta Bowl Par 3 Challenge

The Fiesta Bowl chose to relocate their golf tournament, held Nov. 2-3, from a Phoenix-based property to Mountain Shadows in Paradise Valley.

Fiesta Bowl Summit

Experience Scottsdale assisted the Fiesta Bowl with selecting a new location for the Fiesta Bowl Summit. This event will be held at Hyatt Regency Scottsdale Resort at Gainey Ranch for the next six years from 2018-2023. This is the first time Scottsdale will play host to this Summit in the last 22 years. This event will result in approximately **3,500 room nights** to Scottsdale each May for the next six years.

4.7 SCVB/City payment to Fiesta Bowl

Both Experience Scottsdale and the City of Scottsdale paid \$161,643. The Fiesta Bowl received a total of \$323,286 from both parties for 2017-18 benefits as stipulated in the 20-year agreement.

Experience Scottsdale Deliverables 2017-18

CONTRACT RETURN ON INVESTMENT

In 2017, official Fiesta Bowl groups booked 3,632 room nights into Scottsdale bed-tax paying hotels and resorts for the Fiesta Bowl and Cactus Bowl. The Fiesta Bowl contract requires only 2,000 room nights, which can be placed in Scottsdale and Paradise Valley. The numbers below, however, only account for rooms booked into Scottsdale bed-tax paying properties.

Fiesta Bowl: 2,453 room nights x \$210.00 average daily room revenue = \$515,130
 + Cactus Bowl: 1,179 room nights x \$186.01 average daily room revenue = \$219,306
 = \$734,436 in total room revenue

According to Longwoods visitor study, lodging accounts for 41% of overnight visitors' total spend in Scottsdale. This means, Scottsdale room nights from official Fiesta Bowl groups – not including fan bookings – led to direct spending of nearly \$1.8 million in our community.

The City's pass-through investment to Experience Scottsdale for the Fiesta Bowl contract for the 2017 games was \$161,643.

In 2017, the City received an 11 to 1 return on investment in the Fiesta Bowl contract.

CONTRACT BACKGROUND

Annually, the partnership with the Fiesta Bowl brings thousands of teams, bands, alumni and fans to Scottsdale hotels and resorts for the Cactus Bowl and Fiesta Bowl games. These visitors not only stay in our hotels, but also spend money in the City's restaurants, shops and attractions. This partnership also keeps Scottsdale in the spotlight even though the games are played elsewhere in the Valley.

Experience Scottsdale approached the Fiesta Bowl in 2002 about creating this relationship because we knew that the Bowl would be moving its game to the stadium in Glendale. Considering that nearly 50 percent of our resort and full-service hotel business is associated with meetings – and the fact that most companies and associations do not meet during the holidays – Fiesta Bowl teams and fans fill the hotel rooms that might otherwise be vacant. During the past 11 years of the current 20-year agreement, Scottsdale has posted major increases over the rest of the metro area in hotel occupancy (+18%), average daily room rate (+90%) and revenue per available room (+123%) during the Fiesta Bowl.

While it can be easy to imagine that these teams, bands, alumni and fans would continue to stay in Scottsdale even without such an agreement, we have seen clearly that many of the Valley's mega events are moving further into downtown Phoenix. Even with the Fiesta Bowl agreement in place, other communities around the Valley are working hard to try and take any groups they can out of the Scottsdale area. Through the Fiesta Bowl agreement, the Fiesta Bowl works with Experience Scottsdale to book as many groups into the Scottsdale area as possible, often far exceeding the number of room nights they committed to provide, which speaks volumes about the value of this partnership.

EXPERIENCE SCOTTSDALE MARKETING DELIVERABLES

In addition to the City's return on investment from the Fiesta Bowl as well as the marketing and hospitality benefits associated with the contract between Experience Scottsdale and Fiesta Bowl, Experience Scottsdale leverages the bowl games to promote tourism to Scottsdale. This includes the Experience Scottsdale efforts listed below for 2017-18.

| Marketing & Promotional Deliverables from Experience Scottsdale to Directly Benefit the City of Scottsdale | Estimated Contract Market Value for 2017-18 |
|--|--|
| Include Fiesta Bowl on home page online (#1 visited page on website) | \$6,750 |
| Include Fiesta Bowl/Cactus Bowl on calendar of events page online (#5 visited page on website) | \$3,000 |
| Include Fiesta Bowl/Cactus Bowl on social media accounts (i.e. Twitter and Facebook) | \$6,000 |
| Include Fiesta Bowl/Cactus Bowl in pay-per-click advertising | \$15,000 |
| Include Fiesta Bowl in Leisure Visitor and Meeting Planner e-mail blasts | \$3,600 |
| Include Fiesta Bowl/Cactus Bowl in Scottsdale Visitors Guide and Meeting & Travel Planners Guide | \$8,250 |
| Include Fiesta Bowl/Cactus Bowl in Scottsdale Calendar of Events Guide | \$1,800 |
| Include Fiesta Bowl/Cactus Bowl in Scottsdale Republic section | \$600 |
| Provide Experience Scottsdale materials to Fiesta Bowl museum | \$1,500 |
| Include Fiesta Bowl/Cactus Bowl in press release to team markets | \$1,200 |
| Host Fiesta Bowl FAM for meeting planners | \$50,000 |
| Secure room blocks/groups related to Fiesta Bowl/Cactus Bowl in Scottsdale | \$7,500 |
| TOTAL MARKETING & PROMOTIONAL VALUE ABOVE AND BEYOND THE CONTRACT BETWEEN EXPERIENCE SCOTTSDALE AND FIESTA BOWL | \$102,200 |

GUARANTEED ROOM NIGHTS ASSOCIATED WITH BOWL GAMES

Experience Scottsdale works with the Fiesta Bowl and our local hotels to keep as many Fiesta Bowl and Cactus Bowl related groups at Scottsdale hotels. Contracts are in place with the following Scottsdale bed-tax paying hotels for 2017-18:

- Fairmont Scottsdale Princess: Fiesta Bowl Team
- Hotel Valley Ho: Fiesta Bowl Alumni
- Embassy Suites Scottsdale: Fiesta Bowl Band
- Hilton Scottsdale Resort & Villas: Fiesta Bowl Band
- Hyatt Regency Scottsdale Resort & Spa: Cactus Bowl Team

Based on the contracts listed above and the previous room nights generated from these groups, Experience Scottsdale guaranteed 3,000 minimum room nights that would be generated for the City during the 2017-18 bowl games. Based on the guaranteed room nights in Scottsdale, forecast average daily rate during the game timeframe, and city bed- and sales-tax rates, the tax revenue generated for Scottsdale from these room nights is expected to be approximately \$42,000.

The Fiesta Bowl booked more than the guaranteed minimum with a total of 3,632 room nights in Scottsdale bed-tax paying hotels. Based on the generated room nights in Scottsdale, reported average

daily rate during the game timeframe, and city bed- and sales-tax rates, the tax revenue generated for Scottsdale from these room nights is approximately \$48,868.

| 2017 Bowl Games Room Nights from Official Bowl Groups at Scottsdale Hotels | Generated Room Nights in Scottsdale | ADR During Game Timeframe <i>(Source: STR)</i> | City Bed and Sales Tax Rate <i>(Source: City)</i> | Estimated Tax Revenue to Scottsdale |
|---|--|---|--|--|
| Fiesta Bowl | 2,453 | \$210.00 | 6.65% | \$34,256 |
| Cactus Bowl | 1,179 | \$186.01 | 6.65% | \$14,584 |
| TOTAL | 3,632 | | | \$48,840 |